

# IRS News Release

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## Use of Free File Growing in 2008

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WASHINGTON — The continued growth of Free File shows taxpayers are taking advantage of the program's benefits, which include free electronic return preparation and filing of tax returns, as well as quicker refunds with direct deposit.

The number of tax returns filed via Free File as of the end of February has jumped more than 12 percent compared with the same period last year, the Internal Revenue Service said.

"Free File provides an opportunity for taxpayers to prepare and file their tax returns electronically for free," said Acting IRS Commissioner Linda E. Stiff. "Free File is also available to individuals who normally do not file a tax return but must do so this year in order to qualify for the economic stimulus payment."

Free File is run by the IRS and the Free File Alliance, LLC, a private-sector consortium of tax software companies. Over 22 million taxpayers have used Free File since its inception. Their partnership is intended to provide taxpayers earning \$54,000 or less with a free, safe and quick way to prepare and file their taxes. Free File is available to 70 percent of taxpayers.

Use of Free File, like electronic filing in general, continues to see steady growth. Nearly 3.0 million taxpayers used Free File as of the end of February, compared with 2.6 million who used it during the same period last year.

Customer satisfaction with Free File also remains high. Taxpayers find the program to be easy and convenient to use. Individuals who e-file using the Free File program can get their refunds in as little as 10 days with direct deposit. Also Free File has been improved in the last few years to ensure taxpayers aren't subjected to marketing and advertising messages while preparing their returns.

The IRS works with Free File partners to enhance the Free File program when new tax laws are enacted. For instance, changes were made to Free File to accommodate recently enacted legislation creating the economic stimulus payment and expanding the

exclusion for debt forgiveness, which is targeted to taxpayers who have lost their homes because of difficulty with their mortgage payments.

IRS Free File also is now available to people who normally do not file a tax return but must do so this year to receive their 2008 economic stimulus payment. People who have no legal requirement to file other than to receive their payments should take care to use only those companies listed on the [Free File – Economic Stimulus Payment](#) page at IRS.gov.

While not all Free File offerings serve all taxpayers, the Free File assistor can be used to guide taxpayers to the Free File offering that is right for them.

## 2008 FILING SEASON STATISTICS

Cumulative through the weeks ending 3/16/07 and 3/14/08

<b>Individual Income Tax Returns</b>	<b>2007</b>	<b>2008</b>	<b>% Change</b>
Total Receipts	67,705,000	71,028,000	4.9%
Total Processed	63,799,000	66,656,000	4.5%
<b>E-filing Receipts:</b>			
TOTAL	49,401,000	53,359,000	8.0%
Tax Professionals	35,105,000	36,771,000	4.7%
Self-prepared	14,296,000	16,588,000	16.0%
<b>Web Usage:</b>			
Visits to IRS.gov	88,834,000	100,660,000	13.3%
<b>Total Refunds:</b>			
Number	57,434,000	59,199,000	3.1%
Amount	\$141.680 Billion	\$149.621 Billion	5.6%
Average refund	\$2,467	\$2,527	2.5%
<b>Direct Deposit Refunds:</b>			
Number	42,057,000	45,023,000	7.1%
Amount	\$117.429 Billion	\$126.127 Billion	7.4%
Average refund	\$2,792	\$2,801	0.3%